

**OFFICE OF THE
WASHINGTON STATE LIQUOR CONTROL BOARD
Board Meeting /May 4, 2005**

The regular meeting of the Washington State Liquor Control Board was called to order at 10:00 a.m., on Wednesday, May 4, 2005 in the Board conference room, 3000 Pacific Avenue SE, Olympia, Washington, by Chairman Merritt Long. Board Member Roger Hoen was present. Tony Kim, Administrative Assistant to the Board summarized the minutes.

Purchasing Services Division – Potential New Listings/Rejections
Steve Burnell, Wine Program Manager

Based on presentations made by supplier representatives on April 28, 2005, discussions with members of the listing committee, tasting reports on product samples and other factors, Mr. Burnell recommended that the Board approve the following listing/rejection actions.

Listing Symbol Codes: R-Regular Listing; L-Limited Distribution; M-Mini Distribution; S-Warehouse Stock; U-Unlisted

| <u>Description</u> | <u>Recommendations</u> |
|---|------------------------|
| The Dalmore 21 Year Single Malt Scotch Whisky, 750 ml (\$69.95) | List as S |
| Danzka Grapefruit Flavored Vodka, 750 ml (\$17.95) | List as L |
| Chivas Regal 18 Year Scotch Whisky, 750 ml (\$52.95) | List as S |
| Bacardi Big Apple Rum, 750 ml (\$15.95) | List as L |
| Cazadores Anejo Tequila, 750 ml (\$39.95) | List as M |
| Appleton White Jamaica Rum, 750 ml (\$14.95) | List as L |
| Don Eduardo Anejo Tequila, 750 ml (\$44.95) | List as M |
| Three Olives Orange Flavored Vodka, 750 ml (\$19.95) | List as L |
| Clear Creek 8 Year Apple Brandy, 750 ml (\$33.15) | List as U |
| Clear Creek Kirschwasser, 375 ml (\$24.95) | List as U |
| Clear Creek Grappa of Muscat, 375 ml (\$23.20) | List as U |
| Tortilla Gold Tequila Liqueur, 750 ml (\$10.95) | Defer |
| Carlsbad Becherovka Liqueur, 750 ml (\$21.95) | Reject |
| Killepitsch Bitter Liqueur, 750 ml (\$23.95) | Reject |
| The Deanston 12 Year Single Malt Highland Scotch Whisky, 750 ml (\$28.95) | Reject |
| Tobermory 10 Year Single Malt Scotch Whisky, 750 ml (\$28.95) | Reject |
| Aha Yeto Reposado Tequila, 750 ml (\$42.20) | Reject |
| Aha Yeto Anejo Tequila, 750 ml (\$48.95) | Reject |
| Peshterska Muskat Grape Brandy, 750 ml (\$22.95) | Reject |
| Kehlibar Grape Brandy, 750 ml (\$22.95) | Reject |
| Slivenska Perla Grape Brandy, 750 ml (\$42.20) | Reject |
| Yazi Ginger Flavored Vodka, 750 ml (\$19.95) | Reject |
| The Macallan 10 Year Fine Oak SM Highland Scotch Whisky, 750 ml (\$44.95) | Reject |
| The Macallan 15 Year Fine Oak SM Highland Scotch Whisky, 750 ml (\$66.95) | Reject |
| Cazadores Blanco Tequila, 750 ml (\$32.95) | Reject |
| Don Eduardo Silver Tequila, 750 ml (\$39.95) | Reject |

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|---|--------|
| Don Eduardo Reposado Tequila, 750 ml (\$42.95) | Reject |
| Marie Brizard Crème De Menthe White Liqueur, 750 ml (\$20.00) | Reject |
| Marie Brizard Crème De Menthe Green Liqueur, 750 ml (\$20.00) | Reject |
| Admiral Nelson Coconut Rum, 750 ml (\$10.95) | Reject |
| Admiral Nelson Vanilla Rum, 750 ml (\$10.95) | Reject |

Board Member Hoen moved for approval. Chairman Long seconded the motion, and it was passed.

Purchasing Services Division – Potential Size Extensions

Steve Burnell, Wine Program Manager

The suppliers of the following brands have requested size extensions in addition to the 750 ml size that is currently listed. For the currently listed sizes, both of these items are showing excellent growth in sales.

| <u>Requested Size Extensions</u> | <u>Size</u> | <u>Retail Price</u> | <u>Current Average Monthly Sales 750 ml Size</u> | <u>Current Monthly Gross Profit</u> | <u>Increase</u> | <u>Category Average</u> | <u>% of Total Sales in Other Control States</u> |
|--------------------------------------|-------------|-------------------------|--|---|-----------------|-----------------------------|---|
| Pendleton Canadian Whiskey | 1.75L | \$49.95 | 427 | \$15,986 | 172.0% | 3.7% | NA |
| Admiral Nelson Spiced Rum | 1.75L | \$26.95 | 307 | \$10,903 | 80.0% | 8.4% | 1.6% |

Mr. Burnell recommended Board approval for listing these four items as additional sizes.

Board Member Hoen moved for approval. Chairman Long seconded the motion, and it was passed.

Purchasing Services Division – Potential Wine Listings/Delistings

Steve Burnell, Wine Program Manager

The Wine Advisory committee has reviewed the following wines. Criteria for selections made by this panel include outstanding taste, good value, consumer interest and other factors. From blind tastings, the Committee and the Purchasing Division made the following selections and recommendations. Mr. Burnell recommended the Board approve the following listing actions.

| Wine | Region | Vintage | Retail | Recommendation |
|--|---------------|----------------|---------------|-----------------------|
| Columbia Crest Grand Estate Pinot Grigio | Washington | 2003 | \$ 8.98 | List as M |
| Snoqualmie Chenin Blanc | Washington | 2003 | \$ 5.59 | List as M |

The following wines are offered as a One-Time-Only purchase. The purchasing department and Mr. Burnell recommended the Board approve the following One-Time-Only listings.

| Wine | Region | Vintage | Retail | Number of Cases |
|---------------------------------|---------------|----------------|---------------|------------------------|
| Snoqualmie Cabernet Merlot | Washington | 1999 | \$ 3.99 | 1568 Cases |
| Columbia Crest Cote du Columbia | Washington | 1999 | \$ 3.99 | 280 Cases |
| Marilyn Merlot | California | 2003 | \$27.29 | 56 Cases |

The following wines we selected by the Washington Wine month committee to offer as a One-Time-Only purchases for Washington Wine Month 2005. The purchasing department and Mr. Burnell recommended the Board approve the following One-Time-Only listings.

| Wine | Region | Vintage | Retail | Number of Cases |
|-------------------------------------|---------------|----------------|---------------|------------------------|
| Badger Mtn NSA Chardonnay (organic) | Washington | 2004 | \$ 6.99 | Surveyed |
| Hoodsport Chardonnay | Washington | 2003 | \$ 9.99 | Surveyed |
| Latah Creek Chardonnay | Washington | 2003 | \$ 7.39 | Surveyed |
| Painted Stone Chardonnay | Washington | 2003 | \$ 5.99 | Surveyed |
| Pine & Post Chardonnay | Washington | 2003 | \$ 4.99 | Surveyed |

| Wine | Region | Vintage | Retail | Number of Cases |
|---|---------------|----------------|---------------|------------------------|
| Sockeye Chardonnay | Washington | 2003 | \$ 8.99 | Surveyed |
| Kiona Chenin Blanc | Washington | 2004 | \$ 6.99 | Surveyed |
| Silver Lake Chenin Blanc | Washington | 2004 | \$ 5.99 | Surveyed |
| Tagaris Late Harvest Chenin Blanc | Washington | 2002 | \$ 6.99 | Surveyed |
| Barnard Griffin Pinot Gris | Washington | 2003 | \$12.99 | Surveyed |
| Bethany Vyd. Pinot Gris | Washington | 2003 | \$ 8.77 | Surveyed |
| Kiona Late Harvest Gewurztraminer 375ml | Washington | 2003 | \$ 7.15 | Surveyed |
| Vin du Lac Gewurztraminer | Washington | 2004 | \$10.14 | Surveyed |
| Barnard Griffin White Riesling | Washington | 2004 | \$ 5.98 | Surveyed |
| Kiona Riesling | Washington | 2004 | \$ 6.99 | Surveyed |
| Kiona Late Harvest White Riesling | Washington | 2003 | \$12.99 | Surveyed |
| Kiona Dry Riesling, Red Mt. Reserve | Washington | 2004 | \$ 8.08 | Surveyed |
| Vin du Lac "Les Amis" (Riesling/Muscat) | Washington | 2003 | \$11.10 | Surveyed |
| Preston Sauvignon Blanc | Washington | 2004 | \$ 6.99 | Surveyed |
| Tagaris Fume Blanc | Washington | 2001 | \$ 5.70 | Surveyed |
| Vin du Lac Sauvignon Blanc | Washington | 2003 | \$11.10 | Surveyed |
| Apex II Late Harvest Semillon 375ml | Washington | 2001 | \$ 8.99 | Surveyed |
| Bridgeman Viognier | Washington | 2001 | \$ 8.99 | Surveyed |
| Hogue Genesis Viognier | Washington | 2003 | \$ 9.99 | Surveyed |
| Avery Lane Glacier White | Washington | 2003 | \$ 4.99 | Surveyed |

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|--|------------|------|---------|----------|
| Latah Creek Maywine | Washington | NV | \$ 5.49 | Surveyed |
| Latah Creek Muscat Canelli | Washington | 2003 | \$ 7.39 | Surveyed |
| Snoqualmie Muscat Canelli | Washington | 2003 | \$ 5.48 | Surveyed |
| Washington Hills Rainier White | Washington | NV | \$ 4.99 | Surveyed |
| Whidbey Island Siegerrebe | Washington | 2003 | \$11.12 | Surveyed |
| Whidbey Island "Island White" | Washington | NV | \$ 9.19 | Surveyed |
| Barnard Griffin Rose of Sangiovese | Washington | 2003 | \$ 6.98 | Surveyed |
| Horizons Edge "After Glow" Rose | Washington | 2004 | \$ 7.39 | Surveyed |
| Snoqualmie Cirque du Rose | Washington | 2003 | \$ 4.79 | Surveyed |
| Waving Tree Sangiovese Rose | Washington | 2003 | \$ 6.47 | Surveyed |
| Amavi Cabernet Sauvignon Walla Walla | Washington | 2002 | \$24.64 | Surveyed |
| Badger Mtn NSA Cabernet Sauvignon | Washington | 2003 | \$ 8.99 | Surveyed |
| Barnard Griffin Reserve Cabernet Sauv. | Washington | 2002 | \$14.92 | Surveyed |
| Hurricane Ridge Cabernet Sauvignon | Washington | 2002 | \$14.98 | Surveyed |
| Hyatt Vyd. Reserve Cabernet Sauvignon | Washington | 1999 | \$ 6.98 | Surveyed |
| Kiona Washington Cabernet Sauvignon | Washington | 2001 | \$14.29 | Surveyed |
| Painted Stone Cabernet Sauvignon | Washington | 2002 | \$ 5.99 | Surveyed |
| Portteus Rattlesnake Ridge Cabernet | Washington | 2004 | \$ 9.99 | Surveyed |
| Powers Cabernet Sauvignon Reserve | Washington | 2000 | \$17.16 | Surveyed |
| Seven Hills Cabernet Sauvignon | Washington | 2002 | \$25.59 | Surveyed |

| Wine | Region | Vintage | Retail | Number of Cases |
|-------------------------------------|---------------|----------------|---------------|------------------------|
| Silver Lake Cabernet Sauvignon Res. | Washington | 2001 | \$14.99 | Surveyed |
| Sockeye Cabernet Sauvignon | Washington | 2002 | \$ 8.99 | Surveyed |
| Woods Lake Cabernet Sauvignon | Washington | 2002 | \$13.70 | Surveyed |
| Avery Lane Merlot | Washington | 2003 | \$ 5.99 | Surveyed |
| Barnard Griffin Reserve Merlot | Washington | 2002 | \$14.92 | Surveyed |
| Forgeron Merlot, Walla Walla | Washington | 2001 | \$26.74 | Surveyed |
| Gold Digger Merlot | Washington | 2001 | \$ 9.99 | Surveyed |
| Hogue Reserve Merlot | Washington | 2001 | \$24.99 | Surveyed |
| Hoodsport Merlot | Washington | 2003 | \$ 9.99 | Surveyed |
| Hyatt Reserve Merlot | Washington | 1999 | \$ 6.98 | Surveyed |
| Kiona Merlot | Washington | 1999 | \$12.99 | Surveyed |
| Latah Creek Merlot | Washington | 2002 | \$ 8.77 | Surveyed |
| Pine & Post Merlot | Washington | 2002 | \$ 4.99 | Surveyed |
| Portteus Rattlesnake Ridge Merlot | Washington | 2004 | \$ 9.99 | Surveyed |
| Powers Merlot | Washington | 2002 | \$ 8.99 | Surveyed |
| Vivacious Vicky "Nice Legs" Merlot | Washington | 1999 | \$14.29 | Surveyed |
| Woods Lake Merlot | Washington | 2002 | \$12.87 | Surveyed |
| Yakima River Merlot | Washington | 1999 | \$11.99 | Surveyed |
| Painted Stone Cabernet/Merlot | Washington | 2002 | \$ 5.99 | Surveyed |
| Avery Lane Shiraz | Washington | 2003 | \$ 5.99 | Surveyed |
| Badger Mtn NSA Syrah | Washington | 2003 | \$ 8.99 | Surveyed |
| Bridgman Syrah | Washington | 2001 | \$ 9.99 | Surveyed |

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|---------------------------------------|------------|------|---------|----------|
| E.B. Foote Syrah | Washington | 2003 | \$10.84 | Surveyed |
| Forgeron Syrah Walla Walla | Washington | 2002 | \$29.64 | Surveyed |
| Glen Fiona Syrah Yakima Valley | Washington | 2000 | \$ 8.99 | Surveyed |
| Pine & Post Shiraz | Washington | 2002 | \$ 4.99 | Surveyed |
| Portteus Rattlesnake Ridge Syrah | Washington | 2004 | \$ 9.99 | Surveyed |
| Vin du Lac Syrah | Washington | 2003 | \$21.18 | Surveyed |
| Portteus Rattlesnake Ridge Cab. Franc | Washington | 2004 | \$ 9.99 | Surveyed |
| Barnard Griffin Zinfandel | Washington | 2003 | \$13.99 | Surveyed |
| Bridgman Sangiovese | Washington | 2001 | \$ 9.99 | Surveyed |
| Kiona Sangiovese, Red Mountain Res. | Washington | 2002 | \$12.99 | Surveyed |
| Snoqualmie Sangiovese | Washington | 2001 | \$ 6.98 | Surveyed |
| Waving Tree Sangiovese | Washington | 2003 | \$12.22 | Surveyed |
| Badger Mtn. Meritage | Washington | 2001 | \$ 7.99 | Surveyed |
| Forgeron Red Table, Walla Walla | Washington | NV | \$15.95 | Surveyed |
| Hedges Red Mountain Reserve | Washington | 2001 | \$30.36 | Surveyed |
| Hyatt Three Rocks Vineyard Red | Washington | 1999 | \$ 6.98 | Surveyed |
| Lone Canary Red | Washington | NV | \$ 9.58 | Surveyed |

| Wine | Region | Vintage | Retail | Number of Cases |
|---|---------------|----------------|---------------|------------------------|
| Magnificent Wine Co. House Red | Washington | 2003 | \$ 9.99 | Surveyed |
| Portteus Rattlesnake Red | Washington | 2004 | \$ 9.99 | Surveyed |
| Three Rivers "Rivers Red" | Washington | 2001 | \$14.98 | Surveyed |
| Maison de Padgett "Sleeping Giant" Port 375ml | Washington | 1998 | \$11.45 | Surveyed |
| Horizon's Edge "Intimate Affair" Ice Wine 375ml | Washington | 2004 | \$14.21 | Surveyed |
| Kiona Ice Wine 375ml | Washington | 2004 | \$21.68 | Surveyed |
| Maison de Padgett Cabernet Sauvignon Dessert Ice Wine 375ml | Washington | 2004 | \$14.21 | Surveyed |
| Latah Creek Huckleberry d'Latah | Washington | NV | \$ 6.70 | Surveyed |
| Pasek Cranberry Wine | Washington | NV | \$ 9.99 | Surveyed |
| Pasek Blackberry Wine | Washington | NV | \$ 9.99 | Surveyed |
| Pasek Blackberry Dessert Wine 375ml | Washington | NV | \$ 9.99 | Surveyed |
| Pasek Raspberry Wine | Washington | NV | \$ 9.99 | Surveyed |
| Pasek Raspberry Dessert Wine 375ml | Washington | NV | \$ 9.99 | Surveyed |
| Pasek Pineapple Wine | Washington | NV | \$ 9.99 | Surveyed |
| Pasek Guava Wine | Washington | NV | \$ 9.99 | Surveyed |
| Windfall Winery "AP" Asian Pear Wine | Washington | NV | \$10.15 | Surveyed |
| Wescott Bay Orchards Vint. Cider 355ml | Washington | NV | \$ 3.56 | Surveyed |

The following wines are offered to the Board in limited case quantities. The purchasing department and Mr. Burnell recommended the Board approve the following wines for "U" code listing

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| Wine | Region | Vintage | Retail | Recommendation |
|--|---------------|----------------|---------------|-----------------------|
| Whitehaven Sauvignon Blanc | New Zealand | 2004 | \$16.90 | 14 Cases |
| Whitman Syrah | Washington | 2003 | \$27.99 | 14 Cases |
| Snoqualmie Reserve Cabernet | Washington | 2002 | \$18.15 | 56 Cases |
| Snoqualmie Reserew Merlot | Washington | 2002 | \$15.15 | 56 Cases |
| Eroica Riesling | Washington | 2004 | \$15.99 | 60 6pks |
| Chateau Ste Michelle Chardonnay, Canoe Ridge | Washington | 2003 | \$17.99 | 60 6pks |
| Chateau Ste Michelle Chardonnay, Cold Creek | Washington | 2003 | \$18.99 | 60 6pks |
| Chateau Ste Michelle Cabernet Sauvignon, Cold Creek | Washington | 2002 | \$22.99 | 60 6pks |

The Board currently lists the following wines. Based on the blind tasting OR other criteria Mr. Burnell recommended the Board DELIST the following items:

| Wine | Region | Brand | Code | Reason |
|---------------------------------|---------------|--------------|-------------|--------------------------|
| Farron Ridge White 1.5L | Washington | 563905 | | Discontinued by supplier |
| Columbia Semillon | Washington | 557650 | | Discontinued by supplier |
| Forestville Chardonnay | California | 901121 | | Poor Sales |
| Forestville Merlot | California | 901122 | | Poor Sales |
| Forestville Shiraz | California | 901195 | | Poor Sales |
| Luna di Luna Chard-Pinot Grigio | Italy | 368850 | | Poor Sales |
| Luna di Luna Merlot-Cabernet | Italy | 368857 | | Poor Sales |
| Simi Chardonnay | California | 616700 | | Poor Sales |
| Corbett Canyon White Zin 3.0 | California | 652169 | | Poor Sales |

Note: All listings are 750ml size unless noted otherwise.

Listing Symbol Codes:

| | |
|---------|----------------------|
| No Code | Regular Listing |
| L | Limited Distribution |
| M | Mini Distribution |
| S | Warehouse Stock |
| U | Unlisted |

Board Member Hoen moved for approval. Chairman Long seconded the motion, and it was passed.

Administration – Recognition

Pat Kohler, Administrative Director

Ms. Kohler recognized the following individuals with certificates of appreciation with Awards for their work on the MBS Pilot Phase II. They are:

Tim Vessey – IT; Wanda Carver – Retail; Barb Sumner – Retail; Curt Preston – Retail
Sue Sandifer – Retail; Bill Heisler – Retail; Douglas Gulman; Jason McKinney – IT

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Thy Vu – IT; Jim Goodman – IT; Lyle Bowe – IT; Cheri Kegley – IT; Ann Sharp - IT
Mike Marty – IT; Rita Lakin – IT; Nancy Lin – Finance; Bonnie Jubb - Finance
Nancy Massaia – Purchasing; Gerald Scheeler – DC; Steve McConaghy - Change Agent
Kim Cregeur - Admn.; Tracy Todd – Retail.

The Meeting was adjourned at 10:40 A.M.

Merritt D. Long
Chairman

Vera Ing
Board Member

Roger Hoen
Board Member